

INTERNATIONAL DEMOGRAPHICS™

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And Now . . . The Rest of the World

Developing countries will account for nearly 30 percent of the increase in world trade in the 1980s, the World Bank estimates. The United States now sells 36 percent of its exports to developing countries — primarily in Africa, Asia, and South America.

Gregory Votaw, a 16-year veteran of the World Bank and now Director of the Center for International Development and Technology at Dames and Moore, consulting engineers in Washington, offers these suggestions for approaching international trade.

Votaw spoke at a World Trade Institute strategic planning seminar for multinational corporations at the World Trade Center in New York.

—Nothing is quite as it is reported in the media, or by a government in

its official procedures manual, or by the U.S. government. "There is no substitute for going to a country and finding out for yourself how things work," Votaw says.

—If you are seeking a partner in another country (whether an agent, a distributor, or a manufacturer), a strong independent person is best. "Beware of oppressively obedient people," Votaw says. In overseas business situations, these people are often hired, but are rarely the best partners.

—Understand cultural differences. Nigeria is different than Cameroon. Australia is different than New Zealand.

—Ask yourself what the country wants. What are its priorities, plans, and how does your project or product fit in? It may be difficult to deter-

mine this information, but persist by searching out all sources, official and unofficial.

—Don't expect the United States government to do everything for you. In fact, government agencies need you to share your facts and perceptions with them.

—Don't do anything in any country without knowing the status of women. They are powerful in many countries and should be listened to. It may take a great deal to find out how they are viewed in their country, however, because even if they have power, men may pretend otherwise.

—Government plays different roles in developing countries. Learn what the role of government is and whether it is likely to change in the near future. For example, a government may grant huge concessions to the first hotel developer to bring tourism to its shores, but be inclined after tourism is well under way to let private enterprise bear all the costs.

—Find out about food, energy, housing, and water — and think

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about how to provide for these basic needs. Without them your project may fail.

—Do not accept lower standards of productivity in a developing country. Poor managers make poor workers in developing countries, just as they do in the United States and other industrialized nations.

—Despite what you may read, many developing countries contain

an enormous reservoir of admiration for the United States.

The priority and resources that a country applies to collecting and collating demographic statistics can be a clue to the role of government. If its statistics are reliable and easily available, showing weaknesses as well as strengths, it is more likely to be a receptive government. ●

Georgia, Hawaii, Louisiana, Montana, New Hampshire, New Mexico, Oregon, and Vermont, were in the \$10,000 to \$50,000 category.

Canada is the target for 23 percent of the foreign advertising dollars. Sixteen states or territories mention it specifically. Other popular targets are Mexico, United Kingdom, France, and Germany.

States allocated most of their advertising dollars to magazines — newspapers, radio and billboards ran far behind. Only Puerto Rico and South Carolina mentioned the use of television advertising.

Source: Survey of State Travel Offices 1981-81, U.S. Travel Data Center, 1899 L St. NW, Washington, DC 20036, 100 pp., \$30 prepaid. (202) 293-1040.

New Frontier

Australia is a safe, stable, strong pro-Western country where a new frontier of expansion is just beginning to boom. It is nearly twice the size of the United States (excluding Hawaii and Alaska) and twice the combined area of India and West Pakistan.

Although immigration has helped to double the population to 14.5 million since World War II, it still has one of the lowest densities in the world — about 6 persons per square mile. About 65 percent of Australians are concentrated in the large cities of the fertile coastal region including Melbourne, Sydney, Brisbane, Perth, Darwin, and Canberra, the capital. Sydney and Melbourne have populations of 3 million and 2.5 million respectively.

Source: The Financial Planner, 5775 Peachtree Dunwoody, Suite 120 C, Atlanta, GA 30342 (404) 252-9600.

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Around the World

Awakening Giant

After 20 years of neglect, demographics have bounced back in the world's most populous country, China. The United Nations Fund for Population Activities has made \$50 million available from 1980 to 1983 to defray the cost of the 1982 Chinese census and to help pay for training and research.

As of 1980, 10 population research units in the Chinese government had established social science academies, and for the first time articles have begun to appear on such subjects as population trends and their impact on housing, employment, mass transportation, and other sectors.

The increased population research activity in China should help improve professional relations between Chinese population specialists and their foreign counterparts in coming years. As part of the thaw, a U.S. mission from the Commerce Department and Census Bureau visited China in 1979 to discuss statistics and the census.

Source: "Demography in China: From Zero to Now," by H. Yuan Tien, Population Index 47 (4): 683-710. Winter, 1981, Office of Population Research, Woodrow Wilson School of Public and International Affairs, 21 Prospect Avenue, Princeton, NJ 08544.

Supermarket Strategies

Modern supermarkets probably fail in developing countries because they do not consider the lifestyles of consumers.

People with low, fluctuating incomes, who have no means of transportation, and who buy small quantities of basic food items several times a week are unlikely to respond to the efficiencies of a large, modern supermarket located far from their homes. Whatever they may save in buying from the supermarket, they spend in the cost of getting there.

Government agencies that support development believe opening a supermarket in an upper-income area is evidence of failure, but that is where supermarkets belong. Supermarket technology operates most efficiently under steady and predictable conditions. These are not available in less developed countries.

Source: Journal of Retailing, New York University Institute of Retail Management, 202 Tisch Hall, Washington Square, New York, NY 10003, (212) 598-1212.

Attracting Foreign Visitors

Some states and U.S. territories find the foreign market lucrative for travel advertising. Of the 56 U.S. states and territories reporting to the U.S. Travel Data Center, 22 allocated money to media advertising in foreign countries, 20 had budgets for foreign promotion including foreign offices, and 9 had foreign press budgets.

Advertising budgets averaged \$84,000. Low was \$4,000 in Oklahoma and Rhode Island. High was \$525,000 in Puerto Rico. Florida allocated \$403,000, the U.S. Virgin Islands, \$385,000. Alabama,

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Interview: Probe International

The term "political intelligence" conjures up images of men dressed in raincoats, hats pulled low over their eyes and cigarettes dangling from their lips, lurking in dark alleys to meet their informants. In fact, for some corporations, political intelligence is based not on intrigue but on demographics.

International Demographics interviewed Benjamin Weiner, President of *Probe International*, a private political intelligence firm, based in Stamford, CT.

Q: What do you mean by political intelligence?

Weiner: A broad spectrum of political, social, and cultural information that can affect a corporation's decision-making as profoundly as marketing, financial, and industrial information.

Q: Why are demographics important to political intelligence?

Weiner: As a nation we've been led to believe that we are moving toward one world, a common market. We've been given the impression the world is coalescing, but in reality, it is fragmenting. There is increasing separatism. Some ethnic groups in countries resist nationalism. Their driving force is language, culture, religion, or history. Their presence in a country is important. Their actions can have a devastating effect.

Q: Can you give an example?

Weiner: Take Canada. You can wake up one morning and find out your factory is in one country and your market is in another, if your factory is in Ontario and you produce goods that are sold in Quebec.

Q: Are there many places where culture and language figure so heavily in people's actions?

Weiner: If you go into Nigeria and choose a Yoruba agent to do business in Hausa or Ibo territory, you won't be successful. You must

understand the religious, tribal, and cultural patterns to succeed. There is a separatist problem in Sri Lanka that should not be ignored. We recently suggested to a client a site location in Sri Lanka for a factory. We also suggested the appropriate mix of workers and management personnel in the factory based on what we had learned about the relationships between the Sinhalese and Tamil peoples. No matter what happens in Africa, assume there is a tribal motivation behind it.

Q: Are there other factors you look at besides religion and tribal affiliation?

Weiner: We're particularly interested in migration, not just how many people are moving, but who. If there is movement among upperclass professionals, that doesn't matter so much. They float to the best opportunities. But when blue-collar workers, who are not usually mobile, leave a country, start paying attention.

Q: What does their departure signify?

Weiner: Instability. Take Mexico, for example. The figures we see on the number of illegal aliens leaving Mexico range from 2 to 12 million — significant numbers of Mexican workers are leaving. There must be a reason for that.

Q: Do you advise U.S. corporations to stay away from Mexico?

Weiner: Not necessarily. The level of risk is directly proportional to the investment potential. The fact that there are problems doesn't mean that you turn away. If the investment potential is large enough, you cope with them.

Q: But in unstable political and economic environments, is it possible to cope?

Weiner: Much of the time it is — if you understand the cultural and social patterns of a country. For example, a major corporation hired an agent of the Baha'i faith to represent

it in Iran. The Baha'is are persecuted in Iran so the corporation's trucks were burned and its buildings destroyed. Either the company didn't know the religion of its agent or it didn't adequately assess the consequences.

Q: Many companies work through agents, distributors, or licenses in foreign countries. We have talked to some company representatives who say they get their information from their local distributors.

Weiner: I would ask those companies whether they would go to their plant manager in Kalamazoo, Michigan for information on who is going to win the November election in this country. You know that he thinks he understands the situation, but he understands it only from his own point of view.

Q: How do you get better information?

Weiner: We talk to people in every walk of life. We talk to many people who don't speak English. If you talk only with people who speak English, they are probably the educated elite with their own prejudices. They may want to tell you things are no good no matter what.

Q: But if you use interpreters, how do you know whether the translation is accurate?

Weiner: We're very careful about that. Sometimes the interpreter has read the latest *Time* magazine and you hear what he thinks you expect to hear. There is more art than science here.

Q: What are your sources of foreign information in the U.S.?

Weiner: In the United States, we do thorough literature searches. We call it "reading into" a country. We keep our own files, by clipping and pasting. We talk to the embassies here, the Population Institute, the Census Bureau. •

Country Profile

The Republic of Korea

"Made in Korea" stamped on baseball gloves and many other products sold in the United States is a phrase that suggests an abundance of inexpensive labor in the Republic of Korea. However, South Korea is dominated by an increasingly educated and sophisticated youth, a growing middle class, and a potential for rapid growth in consumer demand.

Although the country is not much larger than the state of Indiana, it is home to 37.4 million people according to the Korean census, taken in November 1980. The population grew 19 percent during the decade. Population density is 985 persons per square mile, higher than even Japan or India.

South Korea has one of the most racially homogenous populations in the world. Persons of foreign citizenship accounted for less than one percent of the population in 1980. Government policy encourages emigration as a way to lower unemployment and raise the standard of living.

Because immigration is negligible, the country's population growth stems entirely from natural increase — more births than deaths. Although Korea's rate of natural increase was 1.7 percent in 1981, emigration (a loss of about 32,000 people each year) reduced its annual growth rate to 1.6 percent, compared to about 1 percent for the U.S. At this rate, by the year 2000, South Korea will have about 52 million people, one third more than it does today.

Because Korean fertility has declined from an average 6.28 children born per woman in 1960 to 2.75 today, the country's growth is slowing. The government's goal is to achieve replacement fertility, approximately two births per woman, by 1990. In 1981, the life expectancy of Koreans was estimated by the Census Bureau to be 66 years for men and 71 years for women, a little less than life expectancy in the U.S., because the infant mortality rate is greater than in the U.S.

Age

The Korean age distribution reveals a relatively young population experiencing a fertility decline. The youthfulness is shown in the country's median age, just 22 years in 1981, compared to 30 years in the U.S. The 0-4 age group is smaller than the age groups preceding it because of recent fertility declines. Nevertheless, 45 percent of Koreans are under age 20, compared with 32 percent of Americans.

The population bulges in the 10-14, 15-19, and 20-24 age groups. The nearly 14 million Koreans between the ages of 10 and 24 in 1981 represented more than one-third of the country's population. These are Korea's baby boomers, born after the Korean war in the late 1950s and 1960s. Only 4 percent of Korea's population is 65 or older, compared

to 11 percent of the U.S. population.

Households

The 1980 Korean census counted nearly 8 million households, with an average household size of 4.63 people, much larger than the U.S. average of 2.75. But average household size is dropping in Korea because the number of households is increasing faster than the population. Korea's households have increased 36 percent since 1970, compared to a 19 percent population increase. Average household size was 5.4 persons in 1970.

A household in Korea is defined differently than it is in the U.S. The U.S. Census Bureau defines a household as a group of people occupying a housing unit, and a housing unit is a house, an apartment, or a room intended for occupancy as a separate living quarters. In Korea, a household is a group of people living together who make common provisions for food or other living essentials. There are two types of households: ordinary and institutional. An ordinary household contains a group of people who have a relationship to the household head, and includes unrelated people living with a family, and persons living alone. Institutional households contain unrelated people living together — including the population in dormitories, prisons, mental hospitals, and so on. The Korean census counted only 19,000 institutional households (just 0.2 percent of all households) in 1980, containing half a million people.

In the U.S. a housing unit must contain only one household. In Korea a housing unit may contain many households — an apartment building, for example. Korean statistics on housing units should not be used as a proxy for the number of households in the country.

SOUTH KOREA



1980 census counted 5.5 million housing units compared to 8 million households. Most housing units — 4.8 million — were detached, single-family homes. There were also over 400,000 apartment buildings (8 percent of all housing units), and 171,000 townhouses (3 percent of all housing units).

Ninety-five percent of apartment housing units and 84 percent of townhouses were located in Korea's cities. In addition, there were 126,000 housing units in permanent buildings not intended for normal occupancy; these contained many of the institutional households.

Household size was largest — 5.02 persons — in Jeonlabug Do (province) where population loss also was greatest during the seventies. The smallest average household sizes were found in Jeju Do, Korea's resort island province, 4.37 persons, and in Seoul and Gyeonggi Do (province), both with 4.47 persons per household. Busan's households averaged 4.5 persons. In Seoul, Busan, and in Korean cities generally, the number of households increased rapidly; in Busan there was a 39 percent rise in the five years between 1975-1980; in Seoul a 34 percent rise, and in all cities a 40 percent increase.

Korean households often contain several generations of people living together, though the trend is toward the nuclear family. The Korean census shows distributions of households by the number of generations living in them. The 1970 census reported, for example, that only 7 percent of "relatives" (or family) households contained a single generation. This proportion was 9 percent for city households. Most Korean households contained two generations — 55 percent contained a married couple and their children and 11 percent contained single-parent families. Of Korean households, 22 percent contained three generations in 1970, usually a married couple, their children, and their parents.

While the results are not yet available from the 1980 census, they will probably show a decline in the proportion of three-generation households, and an increase in the

proportion of one-generation households as living arrangements in Korea shift from traditional to modern.

Population Distribution

As in many developing countries, one city dominates the entire country. Korea's capital city, Seoul, located close to the North Korean border, contained 22 percent of the population in 1981 (and 23 percent

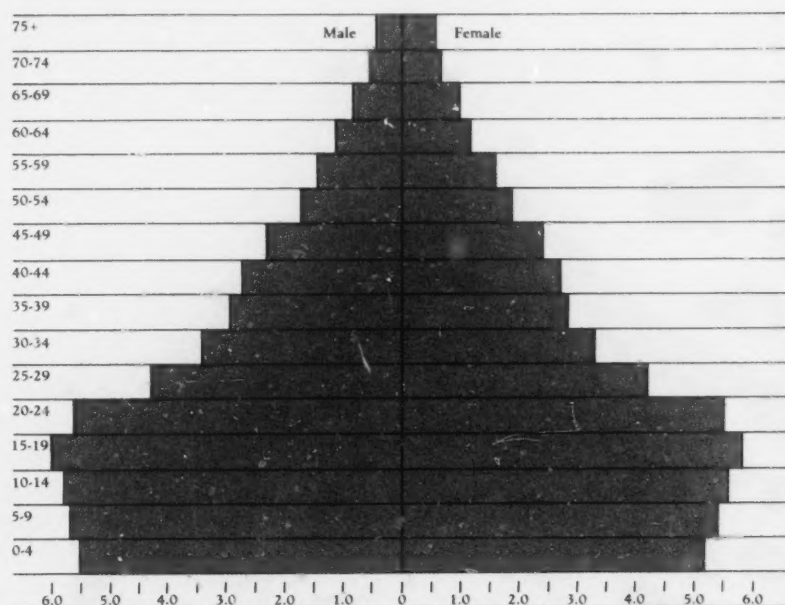
of its households), up from 18 percent in 1970 — reflecting heavy migration to urban areas during the past few decades. In 1949, soon after the Republic of Korea was formed, the city contained only 7 percent of the country's population. Korea's growth has been Seoul's growth.

Four of Korea's provinces lost population during the seventies. They are located in the belt stretching from the northeastern coast,

South Korea's Population by Age and Sex, 1981

in percent

South Korea's age distribution reveals a population that was growing rapidly in the past, but the smaller size of the age groups under 15 are evidence of a fertility decline and slowing population growth.



Population of Korea, by Age and Sex, 1981*

Age	Total	Male	Female
All Ages	40,430,491	20,265,078	20,165,417
0-4	4,310,353	2,208,064	2,102,290
5-9	4,477,971	2,287,155	2,190,816
10-14	4,624,278	2,351,625	2,272,653
15-19	4,772,545	2,423,668	2,348,877
20-24	4,489,772	2,283,709	2,206,063
25-29	3,445,406	1,756,158	1,689,249
30-34	2,718,774	1,382,726	1,336,048
35-39	2,312,765	1,166,749	1,146,016
40-44	2,178,671	1,093,287	1,085,384
45-49	1,878,986	923,124	955,863
50-54	1,454,759	679,338	775,421
55-59	1,223,794	581,891	641,903
60-64	945,566	447,302	498,264
65-69	710,253	323,916	386,338
70-74	481,321	206,998	274,323
75+	405,277	149,368	255,909

*U.S. Census Bureau Estimate

South Korea: Population and Households

Province	1980 Population	1970 Population	% Change 1970-80	1980 Households
Whole Country	37,448,836	31,435,200	19.1	7,971,147
City of Seoul	8,366,756	5,525,300	51.4	1,836,192
Busan City	3,160,276	1,876,400	68.4	687,370
Gyeonggi Do	4,935,200	3,353,300	47.2	1,083,222
Gangwon Do	1,791,687	1,865,400	-4.0	375,145
Chungcheongbug Do	1,424,243	1,480,300	-3.8	291,057
Chungcheongnam Do	2,955,999	2,858,200	3.4	582,934
Jeonlabug Do	2,287,512	2,431,900	-5.9	451,884
Jeonlanam Do	3,779,475	4,004,800	-5.6	764,720
Gyeonggangbug Do	4,962,375	4,555,900	8.9	1,080,865
Gyeongsangnam Do	3,322,558	3,118,600	6.5	712,479
Jeju Do	462,755	365,100	26.8	105,279

through central Korea, to the southwestern coast of the country. The fastest growing province was Gyeonggi, which surrounds Seoul. Seoul and Busan together accounted for 69 percent of the decade's population growth.

The government has been trying to discourage migration to Seoul. Its Capitol Region Population Redistribution Plan, 1977-1986, proposed to limit Seoul's population to 8 million in 1981, with a decline to 7 million by 1986, through a voluntary program of regional and rural development — extending communication, transportation, educational and cultural activities into the more remote areas of the country. The government's efforts to extend urban amenities into the rural areas of the country, in addition to its agricultural pricing policies, have helped to eliminate rural-urban income inequalities. But Seoul's population has continued to grow, reaching 8.4 million by 1980.

The Korean government is considering constructing a new administrative capitol to reduce the migration pressure in Seoul, and to remove the nation's vital functions away from the North Korean border.

South Korea had 32 cities with populations over 100,000 in 1980, and it had six cities with populations over 500,000. Busan, the second largest city, had a population of 3.2 million in 1980. Busan grew faster than Seoul in the 1970s, and increased its share of the total population from 6 to 8 percent. Daegu, the third largest city, with 1.6 million residents, is located about 60 miles inland from coastal Busan. Other cities with more than half a million residents are Incheon (1.1 million), a coastal city close to Seoul, Gwangju (728,000), in southwestern Korea, and Daejeon (652,000), in the central-western part of the country. Busan is the country's major port, while Incheon is the port of Seoul.

Defining Cities

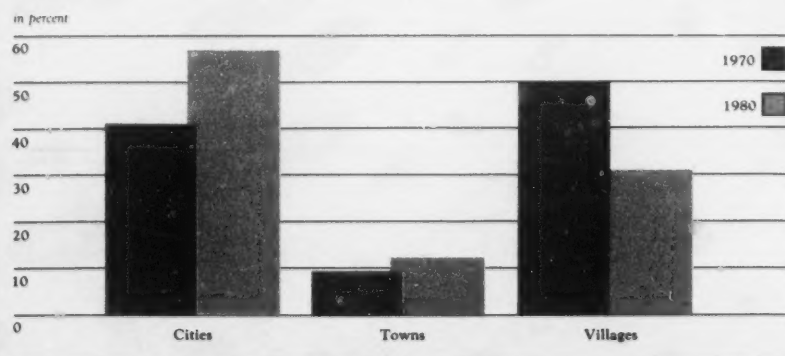
In South Korea, a city (Si) is defined as a place with a population of 50,000 or more. Fifty-seven percent of Korea's population and 59 percent of its households are located in cities; in 1970 just 41 percent of the population lived in cities. City populations increased 66 percent during the 70s, and 28 percent in the last half of the decade, while city households and housing units increased 40 percent.

Korea's cities are not stereotypic of the Third World, teeming with a poor population. "The bulk of the relatively poor in Korea's urban population could pay for much better services than those currently available," wrote George Beier, an economist at the World Bank, in a 1976 Population Reference Bureau publication, *Can Third World Cities Cope?* The problem, Beier notes, was organizational with government emphasis on development in areas other than the provision of consumer goods and services. But this emphasis is changing as consumer demand grows.

Korea's towns (Eub) — places having 20,000 to 50,000 residents — grew 59 percent during the 1970s, nearly as rapidly as the cities. The 4.5 million inhabitants of Korean towns in 1980 represented only 12 percent of the country's population, however. Households in Korean towns numbered 937,000 in 1980, an increase of 32 percent since 1975.

The rural areas of Korea, called Myeon — something like a U.S. village — contained 31 percent of the country's population in 1980. In 1970, the Myeon population represented 50 percent of the South Korean population, showing just how rapidly the country is urbanizing. These villages lost 27 percent of their population in the 1970s, dropping from 15.7 million to 11.5 million. The number of households in the villages declined 9 percent in the last half of the seventies alone as rural Koreans moved to the towns and cities. Because people aged 14-35 are most likely to move, village populations are aging rapidly as they lose their young adults, while city populations are relatively younger.

Population Distribution in South Korea by Locality, 1970-1980



Communications

Because Korea is urbanizing so quickly, its communications systems are expanding rapidly. Newspapers are one of the most important media in the country. More than 90 percent of the population is literate, and the country has over two dozen daily newspapers, half located in Seoul (two are English-language newspapers). All Seoul newspapers circulate nationally.

Radio also is an important source of information and should be considered in planning advertising campaigns. Over 12 million radios were in operation in 1980, up from only 4 million in 1970. More than 6 million television sets were in use in the country as well. Telephones are not as widely available. There were only 2.9 million in 1980. Public transportation is used by Koreans much more heavily than in the U.S. because car ownership is uncommon — there are only an average of 3 passenger cars per 1000 people.

School enrollment in Korea is compulsory through the sixth grade. More than 90 percent of adults aged 15-34 have completed primary school, and more than half have completed middle school, equivalent to junior high school in the U.S. By law girls attend elementary school, but the percentage of female students begins to drop off at the secondary level. Vocational schooling is important; 16 percent of secondary-level enrollment can be accounted for by vocational students. College students numbered more than 300,000 in 1976; 27 percent of college students were women.

English is taught in all secondary schools, and many Koreans understand the language. One U.S. government marketing publication tells American exporters, "Catalogs, promotional literature, and instructions are acceptable in English." Koreans in their late 40's and older who were educated during the Japanese Occupation, which ended in 1945, also know Japanese. They may decline to speak it, however.

The Labor Force

Korea's occupational structure is changing rapidly as the society shifts

from an agricultural base to a manufacturing and service-based society.

In 1980, the labor force numbered 14.5 million, with 57 percent of the population aged 14 and over economically active. Over 4 million people were employed in agriculture and forestry, accounting for about 34 percent of the labor force, compared to only 3 percent of the U.S. labor force employed in these occupations. Since 1975, the proportion of the Korean labor force in agriculture has declined rapidly, from 46 percent to 34 percent.

Korean women comprise 38 percent of the labor force, and 42 percent of all Korean women work, compared to 51 percent of U.S. women. In 1980, 38 percent of women workers in Korea were employed in agriculture, a sharp decline from the 59 percent in 1975. The second largest occupational group for women was production work, employing 21 percent of women in 1980, up from 16 percent in 1975.

Labor force participation rates for older Korean women, aged 40-54, were the highest among all age groups, close to 60 percent in 1975. For women 25-29, labor force participation was 36 percent, the lowest of any adult age group. This pattern stands in contrast to the U.S., where the highest labor force participation rates for women are in the 20-24 and 25-29 age groups.

The Korean work force is still dominated by agricultural and blue-collar occupations. Manufacturing and agriculture together account for over 60 percent of all employment. The majority of Korean workers aged 50 and older worked in agriculture in 1980. Sales work

employs about 14 percent of the work force; clerical work employs 9 percent; professional, technical, and managerial jobs account for only 5 percent, compared to 27 percent in the U.S.

In part because of the large proportion of the population working in agriculture, many Koreans are self-employed — fully 34 percent of the work force in 1980. Another 19 percent were helping out in the family business. A growing proportion of the work force — 30 percent in 1980 — were regular wage and salary employees. Regular employees numbered 4.2 million in 1980.

Spending Patterns

Korea's income distribution is relatively balanced compared to many developing countries, and is similar to the U.S. The lowest 20 percent of the population received about 6 percent of the income, according to data from the mid-1970s, compared with a 5 percent share in the U.S.; the highest 5 percent of the population received 16 percent of the income, compared with a 13 percent share in the U.S.

Because fringe benefits to Korean workers are often large, average monthly income statistics may understate the amount of income workers receive. In late 1980, regular employees averaged \$259 per month. (Workers earned 171,000 won; at that time the U.S. dollar was equivalent to about 660 won.)

The average city household in Korea had 1.2 earners in 1980, with an average income of approximately \$330 (218,000 won) per month. For city households headed by wage and salary workers, monthly income averaged about \$430 (284,000 won). In these households, the head

Korean Labor Force,* by Occupation and Sex

Occupation	Number		% Female	
	1975	1980	1975	1980
Professional, technical, administrative, managerial	417,000	730,000	20.9	25.3
Clerical	747,000	1,266,000	20.9	32.7
Sales	1,525,000	1,983,000	40.7	43.7
Service	847,000	1,085,000	57.4	58.2
Agriculture, forestry, fishing, hunting	5,446,000	4,652,000	41.4	43.8
Production workers, equipment operators, and laborers	2,848,000	3,990,000	25.8	27.8
Total	11,830,000	13,706,000	36.7	38.3

*Does not include unclassified workers.

earned about 70 percent of the household's wage and salary income, while other family members earned just 8 percent.

Of the consumption expenditures of city households, 37 percent went towards food in 1980. (In the U.S., food costs amount to less than one-fifth of median family income). Only about 4 percent of the money Koreans spent on food went for meals outside the home, but that was an increase from less than 2 percent in 1971. Housing accounted for 25 percent of monthly expenditures. City households allotted 15 percent of their expenditures to clothing,

education, and recreation.

The distribution of consumption expenditures varies little from city to city. In Seoul, housing costs are slightly higher, accounting for 28 percent of expenditures, and food cost are a little less, representing 35 percent.

Nearly half of Korean food expenditures are for grain products. Koreans buy 20 times more rice per capita than do Americans, and 3 times as much pasta. They also spend twice as much on clothing materials, 8 times more for rail, and 3 times more for bus transportation. Koreans also spend 40 percent more

per capita in beauty and barber shops. They spend 50 to 75 percent as much per capita as Americans on fish, fresh vegetables, children's shoes, men's and boy's underwear, and heating appliances. Koreans spend little compared to Americans on prepared foods, ready-made clothing, cooking and cleaning appliances. However, as the labor force modernizes, with greater numbers of workers becoming regular employees in nonagricultural occupations, there could be growing demand for household products.

Sources of Information

Korea's demographics are changing so rapidly that statistics are nearly out of date by the time they are printed. The National Bureau of Statistics, a part of the Economic Planning Board, is the South Korean statistical organization, similar to our Census Bureau. The Economic Planning Board publishes the Korean censuses, taken in years ending in 0 and 5, as well as the annual *Statistical Handbook of Korea* and the *Monthly Statistics of Korea*. To order census or other government publications, write The Government Publication Center, Jung Gu, 1 Ga Taepyeong Ro, Seoul, Republic of Korea.

The U.S. Census Bureau produces annual estimates of the population of South Korea by age and sex. The Bureau receives the Korean census reports and other government publications. For more information on South Korean demographics, call Martha Bargar or Peter Way, telephone (301) 763-2834.

For information on exporting to South Korea, contact Kent Stauffer in the International Trade Administration of the Department of Commerce, telephone (301) 377-4390. The International Trade Administration produces a variety of publications on exporting, such as "Marketing in Korea". Single copies of the catalog, "Publications for Business from ITA", are available free from the Publication Sales Branch, Room 1617, U.S. Dept. of Commerce, Washington, DC 20402. Telephone (301) 377-5494.

—Cheryl Russell

When in Korea, Consider the Japanese

Korea's long and thorny relationship with Japan is less understood than it should be by those who have business or other interests there.

Korea suffered through Japanese pirates in the 7th and 8th centuries, pillaging of its villages and cultural treasures in the 16th century, and occupation by Japanese forces from 1910 to 1945.

Indeed, Admiral Yi Sun Shin, inventor of the armored turtle boat that was instrumental in defeating Japanese forces in a massive naval battle off the Korean coast, is a cultural hero. Lest anyone forget, the Korean pavilion at the mid-60s Osaka World Trade Fair was designed as a turtle boat.

Japan is Korea's most challenging trade rival for the U.S. and Southeast Asian markets. Korean marketing strategy is designed to penetrate the Japanese market share. Like the U.S., Korea has struggled during the last decade to improve its balance of trade position with Japan, although to little avail.

In competing against U.S. companies for the Korean market in consumer products, electronics, machinery, and semi-finished goods, Japan has had substantial success, despite lingering Korean resentment. The Japanese success underscores the importance of three

factors in marketing in Korea:

- the use of personal relations to present products and secure their sale

- the ability to provide prompt, reliable service on products that are sold

- the willingness to extend purchase credit without bank guarantees.

American products have an established reputation for quality, and are greatly favored in all sectors of the Korean market from heavy machinery to consumer products. The Korean consumer, moreover, will buy the highest affordable quality — whether the purchase is personal or corporate.

Gift items especially are chosen with great care. A wedding gift of an inexpensive toaster is much less satisfactory even if it does carry an American brand name, than the top of the line model.

Marketing strategy should always emphasize the quality aspects of a product. If that quality is perceived, the Korean buyer will find a way to afford it.

—David McCann, Partner
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Census Update

Mexican Background

The U.S. Census Bureau has received one preliminary volume on the 1980 Mexican census, but the final volumes probably will not be available before the end of this year.

The volume now out includes state data on such subjects as age, sex, fertility, the economically active population, and education. Some household data appears for the entire country including such things as the number of homes that are served by electricity.

A recent book by Francisco Alba, *The Population of Mexico: Trends, Issues, and Policies* (New Brunswick: Transaction Books, 1981) will provide background when the Mexican census is released.

Taking into account the government's 1974 population policy, which is beginning to show success in limiting population growth, Alba estimates that Mexico may be able to limit its growth to 100 million by the year 2000 rather than the 130 to 135 million that was estimated previously on the basis of growth rates prior to the 1970s.

Understanding inadequacies in earlier data will be helpful in analyzing the 1980 data.

The address for Transaction Books is Rutgers—The State University. New Brunswick, NJ 08903. Cost of *The Population of Mexico* is \$15.95 in hardcover.

Soviet Census

The U.S. Census Bureau may be struggling to keep its schedule for the 1980 census products, but the Soviet Union is only now releasing information from its January, 1979 census.

According to Rebecca Strobe, who does Soviet demographic analysis for the Hudson Institute, the information that is available from the Soviet census is inferior to the U.S. census in its methods and comprehensiveness.

She writes in the *Hudson Communique* that although the First

Deputy Director of the U.S.S.R. Central Statistical Administration recently told the U.S. Census Bureau that Soviet procedures assure complete enumeration of the population, "coverage is measured through a post-enumeration survey of 25 percent of urban dwellings, and of all dwellings in 25 percent of rural sections."

Censal periods are apparently chosen arbitrarily, perhaps in a deliberate attempt to obscure information, Strobe says.

"While a census is taken in the United States every 10 years, Soviet censuses have taken place at highly uneven intervals, occurring in 1920, 1923, 1926, 1959, 1970, and 1979. To complicate matters further, age groupings in the published data often vary between and within particular censuses; this sometimes leads to insurmountable problems of comparability of data," Strobe explains.

Strobe says that as far as is known the Soviet Union uses no long form of the census questionnaire — enumeration is done face to face on a single day with census takers riding the rails and airplanes to count travelers away from home on census day.

The Soviet census covers only these categories, according to Strobe: age, sex, ethnicity, marital status, educational achievement, linguistic capability, occupation, and migration. It provides no data on income, housing, living standards, or employment status.

Exports Mean Jobs

Export-related jobs constituted 5 percent of the nation's total work force in 1980, according to a recently released report of the U.S. Census Bureau.

There were 4.8 million jobs associated with the manufacture of export of manufactured goods in the United States in 1980 — 1.5 million higher than in 1977.

California leads the states with the largest number of export-related jobs, 518,000. New York was second

continued on page 11

Recent Censuses The following countries took censuses in 1980 or were scheduled to take them in 1981 or in 1982.

1980

American Samoa	Norway
Argentina	Pacific Islands
Bahamas, The	Panama
Barbados	Papua New Guinea
Belize	Philippines
Bermuda	Puerto Rico
Brazil	Republic of Korea
British Virgin Islands	Saint Christopher
Cape Verde	Saint Lucia
China, Taiwan	Saint Vincent
Colombia	Sao Tome & Principe
Comoros	Singapore
Czechoslovakia	South Africa
Gabon	Spain
Guam	Sweden
Guyana	Switzerland
Hungary	Thailand
Indonesia	Trinidad & Tobago
Japan	Turkey
Kuwait	Turks & Caicos Islands
Malaysia	Uganda
Malta	United Arab Emirates
Mexico	United States
Montserrat	Virgin Islands
Mozambique	Zambia

1981

Antigua	Guinea
Australia	Hong Kong
Austria	India
Bahrain	Italy
Bangladesh	Isle of Man
Belgium	Martinique
Botswana	Nepal
Brunei	Netherlands Antilles
Canada	New Zealand
Channel Islands	Pakistan
Cuba	Peru
Dominica	Portugal
Dominican Republic	Sri Lanka
French Guinea	Syria
Germany, East	Togo
Germany, West	United Kingdom
Greece	Venezuela
Grenada	Yugoslavia
Guadeloupe	

1982

Chile	Mauritius
China, Mainland	Morocco
Ghana	Nicaragua
Honduras	Paraguay
Israel	Sudan
Jamaica	Zaire

Sources

The U.S. Census Bureau's International Connection

Do you need to know how many people in Trinidad are under age 35, the percentage of the population between the ages of 25 and 29 in Mexico, or the number of elderly in Turkey? The U.S. Census Bureau's international division can tell you.

Relatively unknown to the public compared to its domestic activities, the Census Bureau has three divisions that work on international statistics: The International Statistical Programs Center, the Foreign Demographic Analysis Division, and the International Demographic Data Center. Two years ago the Bureau created the position of Assistant Director for International Programs.

The International Statistical Programs Center, which has least contact with the general public, is the unit responsible for the bureau's fine long-standing relationship with statistical units of foreign countries.

Since its training program began in the 1940's, the center has trained more than 4,000 statisticians and computer specialists from nearly 100 countries. Some graduates have become directors of their countries' statistical offices.

Public Sources

The two units most likely to have information needed for business purposes are the Foreign Demographic Analysis Division (FDAD) and the International Demographic Data Center (IDDC). Sam Baum is chief of these two units.

FDAD tracks population information in the U.S.S.R., Eastern Europe, and China as well as collecting information on Western Europe and Japan. IDDC focuses on the developing countries of Asia, Africa, and Latin America.

Because most developed countries have advanced statistical systems of their own, the Census Bureau collects their data but rarely provides

the same depth of analysis that it does for developing countries.

For developing countries, the analysts at the bureau not only compile data, but also review, evaluate, and adjust the statistics to provide as complete and consistent data as possible.

Principal sources for the bureau's international statistics are population censuses, surveys, and vital registration systems conducted in the countries.

Problems are inherent in any system that depends on the cooperation of other countries, although the bureau has remained remarkably free from politics in its international dealings.

What information does come to the bureau is maintained in several places. Specialists assigned to monitor specific countries keep "country notebooks" that often catalog more information than is available in the library. A Demographics Data Retrieval System contains individual data tables classified by subject, country, and year to provide easy reference for people working at the bureau.

Obtaining Information

The best way to obtain information on a specific country is to call the bureau and ask for the specialist assigned to that country. Because each specialist monitors several countries, it is not always possible to get an instant answer to a question, but you will find the country experts to be as helpful as they can be.

While some countries have statistical systems that pump out monthly updates of population, others have never conducted a population census. In some cases, countries that conducted censuses in 1976 or 1977 have not yet published any data. While the bureau expert may be able to give you basic population information, don't ex-

pect the same level of data from every country. Don't assume that because a country conducted a census in 1980, or even 1979, current data is available. Remember data from the U.S. census is just beginning to become available.

Call the following for country information: China, John Aird, (301) 763-4010; Europe and U.S.S.R., Godfrey Baldwin, (301) 763-4010; Asia and Oceania, Ellen Jamison, (301) 763-2870; Latin America and Africa, Sylvia Quick, (301) 763-2870. Other questions can be directed to Sam Baum at (301) 763-2870.

Publications

Because of limits on time and money, the bureau publishes very little of the information it has on the international level.

One publication, *World Population*, issued every two years, contains demographic information for for every country in the world, and summaries by geographic region. The contents include a series of total population estimates and growth rates from 1950 to the present, crude birth and death rates, and other benchmark data such as life expectancy at birth, infant mortality rate, percent of population under age 15, median age of mother, median birth order, percent urban, and percent of labor force in agriculture. A brief description of sources and derivation of data is included.

A series of booklets — *Country Demographic Profiles* — presents more detailed data on one country at a time. Titles in 1980 included Morocco, Pakistan, and Turkey. Botswana was compiled in 1981, but will be revised later this year. Liberia is due off the press soon and Bangladesh is in the works. There are no more country profiles scheduled at this time because the bureau has plans for a more detailed series. •

Census Update / cont. from p. 9

with 377,000, followed by Ohio, 299,000; Illinois, 286,000; and Pennsylvania, 285,000.

Although California led in the number of jobs related to exports, they accounted for only 5.1 percent of the state's civilian employment. Rhode Island and Connecticut led with 7.5 and 7.2 percent, respectively, of their civilian employment involved directly or indirectly in the export of manufactured goods in 1980. Other states with high employment rates were Washington, 6.7 percent; Ohio, 6.6; Michigan, 6.6; Indiana, 6.3; North Carolina 6.1 percent; and Massachusetts, 6.0 percent.

The total value of shipments, direct export shipments, and employment data for manufacturers producing the exported products were based on data collected as part of the Census Bureau's Annual Survey of Manufactures.

The report, "Origin of Exports of Manufactured Products," can be purchased from Data User Services Division, Customer Services (publications), Bureau of the Census, Washington, DC 20233. (301) 763-4100. •

Around the World / cont. from p. 2

The Aging World

The world is gaining older people rapidly. Increasing longevity will be responsible for large gains in the number of people, age 80 and older worldwide. In Latin America, the 80-and-over population should grow 215 percent between 1970 and 2000; in East Asia, 176 percent; in South Asia, 134 percent; in Africa, 112 percent; and in North America, 96 percent.

Despite cultural differences, all societies determine the welfare of their elderly by the contributions they make and by the way the society accepts them as part of the family structure.

In the Soviet Union, for example, respect for old age persists as a cultural value, but the elderly are also welcome in their children's homes because they make an economic contribution through their small pensions and by the

housekeeping and babysitting services they provide.

Source: *Other Ways of Growing Old*, by Pamela Amoss and Stevan Harrell, Stanford University Press, 1982, Stanford, CA 94305, (415) 497-9434.

Chinese Psychographics

To market successfully in China, an advertiser must understand Chinese traditions and superstitions.

A Chinese person buys underwear not only to keep warm but to be happy as well. An underwear

manufacturer, therefore, might wish to call his product Five Happiness underpants, using five bats for a trademark, because bats in Chinese mythology signify happiness.

Choice of color is important too. White, black, and royal blue represent death. Don't ever dress an actor in a commercial in white, because Chinese mourners wear white at funerals. If you want to signify wealth and health, red and yellow are the colors to choose.

Source: *Advertising Age*, 740 Rush Street, Chicago, IL 60611. •

Publications

The Demographic State of the World, by Nathan Keyfitz, W. Parker Mauldin, William Petersen, Samuel H. Preston, and Ronald Ridker in *Outlook for Science and Technology: The Next Five Years*, San Francisco, W. H. Freeman and Company, 1982. pp. 25-68.

This chapter, in a book produced by the National Research Council, attempts to integrate population growth with technical and economic change and predict what the world may look like in the next five years.

"No one studying population should forget that technological advances could overcome all of the concerns about a population growing from 4 to 9 and perhaps to 12 billion . . ." the authors state, but add, "The disappointments of the last decade have demonstrated the inadvisability of counting on technical leaps . . . To have faith in science and technology, and to pursue promising leads that would relieve shortages of energy and materials and enable larger populations to live better is one thing; to count on near miracles that would solve the population problem at one stroke is quite another."

Population problems differ depending on the individual country and there is a great deal of "if only" in trying to determine how future population trends will affect us all.

The authors write, "If the poorest countries would show as high rates of economic advance as Japan and

Korea have done, they would quickly approach their demographic transition. If there were no national restrictions on trade, then even at the present time food is adequate for all. If the Javanese would only eat corn rather than rice, they would get enough carbohydrate an acre; if they could attain the yields of Japan or Iowa, they could eat plenty of whatever they want."

But they recognize these things will not happen overnight.

"The question is not whether such things can be done, but whether they can be done at a rate that will keep up with population, and provide the minimum increase in welfare that is expected. On the population side there will be stability sooner or later; on the resources side, technology will produce plenty, sooner or later. The question is whether technical improvements can occur at a pace that will bridge the time to this balanced condition."

Freebies Fade. The World Bank is now selling many publications that it previously distributed free. In addition, the cost of postage and handling charges for free publications has been increased to \$1.

The 1982 catalog of World Bank publications, including information about placing standing orders for some of its publications, is available by writing to: Publications Department, 1818 H Street NW, Washington, DC 20344. •

The Ten Million Club

Fifty-six countries have a population of 10 million or more, at latest count. Their combined population is 4.2 billion, 92 percent of the total world population.

Of the 56, the United Nations considers 18 to be "developed market economies." Only one African country, South Africa, and one Asian country, Japan, fall into the developed category. No Latin American countries are on the list, while all the nations of Western Europe are, plus the U.S.S.R., Australia, Canada and the United States.

Large size is about the only thing some countries have in common. The two Germanys and the United Kingdom had the lowest 1981 average annual growth rates, only 0.1 percent, while Kenya grew 4.1 percent. Kenya is growing so fast because its fertility rates are extremely high. At current rates the average Kenyan woman will have 7 children. Algeria's total fertility rate is also 7. Indeed, only three African countries — Egypt, South Africa, and Zaire — have total fertility rates under 6.

Total fertility rates in Asia range from a low of 1.8 in Japan to a high of 6.7 in Afghanistan and Iraq. China, South Korea, and Taiwan have rates under 3.

In Latin America, fertility ranges from a low of 2.8 in Argentina to 6.1 in Mexico. (Mexico's rate is declining, however.) The highest total fertility rate among the developed countries is 4.9 in South Africa, followed by 2.5 in Romania and 2.4 in Spain and the U.S.S.R.

The number of people who work in agriculture is one clue to how far a country has moved toward a consumer economy. Most African countries, for example, have 50 to 80 percent of their labor force working in agriculture, with only Algeria, Egypt, and South Africa under 50 percent.

Urbanization is another important characteristic. The percentage of the population who live in urban areas in the 56 countries ranges from

a low of 5 percent in Nepal and 9 percent in Mozambique to a high of 91 percent in the United Kingdom and 89 percent in Australia. •

Countries With a Population of 10 Million or More, by Region

Country	1981 Population (in 000's)	Rank	Average Annual Growth Rate, 1981	Total Fertility Rate †	Labor Force in Ag (%)	Urban (%)	Last Census
Africa							
Algeria	19,422	35	3.1	7.1	31	61	1977
Egypt	43,437	20	3.0	4.7	49	45	1976
Ethiopia	29,994	26	2.7	6.7	81	15	**
Ghana	12,531	53	3.2	6.5	54	36	1970**
Kenya	17,116	42	4.1	7.0	29	14	1979
Morocco	21,590	34	2.9	6.4	53	41	1971**
Mozambique	12,356	54	2.8	6.1	73	9	1980
Nigeria	79,682	10	3.3	6.9	56	20	1963
South Africa*	29,313	28	2.4	4.9	30	50	1980
Sudan	19,312	36	3.0	6.5	71	25	1973**
Tanzania	19,233	37	3.2	6.5	84	38	1978
Uganda	13,222	52	3.2	6.1	84	12	1980
Zaire	29,441	27	2.8	5.9	76	40	**
Asia							
Afghanistan	15,113	47	2.7	6.7	80	15	1979
Bangladesh	90,680	8	2.6	6.3	78	11	1980
Burma	35,289	25	2.5	5.3	55	27	1973
China	1,041,532	1	1.4	2.5	63	25	**
India	707,836	2	2.2	4.8	72	22	1981
Indonesia	154,339	5	2.1	4.5	60	20	1980
Iran	39,958	22	3.1	5.9	34	50	1976
Iraq	13,575	51	3.3	6.7	43	72	1977
Japan*	117,711	7	0.7	1.8	9	78	1980
Korea, Dem. People's Rep.	18,317	38	2.4	4.0	51	60	N.A.
Korea, Republic of	40,430	21	1.6	2.9	34	55	1980
Malaysia	14,330	49	2.3	4.3	44	29	1980
Nepal	15,338	44	2.4	6.2	90	5	1981
Pakistan	90,439	9	3.2	6.6	58	28	1981
Philippines	50,310	17	2.5	5.2	51	36	1980
Sri Lanka	15,172	46	1.9	3.1	49	27	1981
Taiwan	18,125	39	1.8	2.5	30	66	1980
Thailand	48,787	18	2.2	4.9	67	14	1980
Turkey	46,673	19	2.3	4.5	62	47	1980
Vietnam	55,053	15	2.5	5.5	70	23	1979
North America							
Canada*	24,190	31	1.0	1.8	5	80	1981
United States*	230,049	4	1.0	1.9	3	74	1980
Latin America							
Argentina	28,130	29	1.6	2.8	14	82	1980
Brazil	124,815	6	2.3	4.6	42	65	1980
Chile	11,162	55	1.4	2.9	21	81	1970**
Colombia	25,217	30	1.6	4.1	31	70	1973
Mexico	69,608	11	2.5	6.1	34	67	1980
Peru	18,119	40	2.8	5.2	40	67	1981
Venezuela	17,913	41	3.6	4.5	21	83	1981
Europe							
Czechoslovakia*	15,312	45	0.4	2.4	13	63	1980
France*	53,945	16	0.4	1.9	8	78	1975
Germany, Dem. Rep. of*	16,771	43	0.1	1.8	11	77	1981
Germany, Fed. Rep. of*	61,760	12	0.1	1.4	6	85	1981
Hungary*	10,738	56	0.2	2.2	20	54	1980
Italy*	57,173	13	0.2	1.9	13	69	1981
Netherlands*	14,253	50	0.7	1.6	6	76	1971
Poland*	35,925	24	1.0	2.3	27	57	1978
Romania*	22,381	33	0.7	2.5	31	48	1977
Spain*	37,711	23	0.8	2.4	17	74	1980
United Kingdom*	56,020	14	0.1	1.7	2	91	1981
Yugoslavia*	22,545	32	0.8	2.2	42	42	1981
U.S.S.R.*	267,735	3	0.8	2.4	23	65	1979
Oceania							
Australia*	14,817	48	1.4	2.0	6	89	1981

*Developed Countries **Scheduled for 1982.

Sources: 1981 Population, U.S. Census Bureau estimate; Rank, U.S. Census Bureau; Average Annual Growth Rate, U.S. Census Bureau and United Nations estimates; Total Fertility Rate, United Nations estimate for 1980-1985; Labor Force in Agriculture, World Bank and U.S. Census Bureau estimates for mid-1970s; Urban, UN estimate for 1980.

†The total fertility rate is the average number of children a woman would have in her lifetime if she followed the age-specific fertility rates of a given year.